

**PRIVATE DETECTIVE ADVISORY COMMITTEE
MINUTES
MADISON, WISCONSIN
February 16, 1999**

PRESENT: David Cihlar, James Gilboy, Paul Klumb, James Krause, Karen Morales, Gary Peterson, John Schatzman and Steven Watson

ABSENT: Johnny Cash, Robert Hoeg and Edward O'Brien

STAFF PRESENT: Secretary Marlene Cummings (for most of the meeting) and Clete Hansen

CALL TO ORDER

The meeting was called to order at 9:36 a.m. by Clete Hansen, on behalf of Secretary Marlene Cummings, upon confirmation that the public notice was timely given.

WELCOME AND INTRODUCTIONS

Secretary Marlene Cummings welcomed the committee members and explained how the department is structured and how it functions.

Committee members introduced themselves.

GOALS OF THE COMMITTEE

Secretary Cummings explained that the committee is advisory to her. The committee will meet periodically and discuss current issues and problems, as well as make recommendations for revising the statutes and administrative rules.

Secretary Cummings also explained the Criteria For Decisions which guide the Department and the Small Business Advisory Committee in making choices regarding statutory proposals and administrative rule revisions.

Clete Hansen referred to the committee roster and requested that committee members give him any additions or corrections. He called attention to the 800 telephone number which can be used only for committee purposes. He stated that meeting packets are sent to committee member approximately one week before the scheduled meeting.

WHO IS REQUIRED TO BE LICENSED?

Secretary Cummings requested that the committee move up on the agenda the discussion relating to insurance adjusters the circumstances under which they should be licensed as

private detective agencies and private detectives. Secretary Cummings had other commitments later in the morning and would not be able to attend all of the meeting.

The committee had a lengthy discussion of this issue. Some of the key discussion opinions or issues raised were the following:

1. One committee member stated that insurance adjusters perform many of the same activities as private detectives; therefore insurance adjusters should be regulated.
2. Another committee member stated that there is no need to license insurance adjusters as private detectives. They obtain their work from insurance companies and they have to be competent to keep receiving work from the insurance companies.
3. One person stated that very few, if any, complaints against insurance adjusters come into the Department of Regulation and Licensing.
4. One person stated that insurance adjusters work for insurance companies which have more knowledge about the adequacy of their services than would be the case if the insurance adjusters were working for the broad general public.
5. One person pointed out that insurance adjusters do everything they can to help the insurance company win its case, not to protect the general consuming public.
6. One person pointed out that Section 440.26, Stats., says that insurance adjusters are exempt from licensure if they are directly employed by an insurance company. However, s. RL 30.02 (12) (b) 7. states that a person is exempt if the person is either directly employed by an insurer or is under contract with an insurer.
7. Some committee members argued that the insurance adjuster should be licensed if the insurance adjuster works for more than one insurance company.
8. Some committee members stated that, if the Department of Regulation and Licensing doesn't regulate insurance adjusters, someone else should.

Motion: Dave Cihlar moved, seconded by Steve Watson, to recommend that independent insurance adjusters who perform any duties under s. RL 30.02 (12) 1& 2, Wis. Admin. Code, for more than one insurer or law firm should be required to be licensed as a private detective. Motion carried with a 7 to 1 vote.

IDENTIFICATION OF DISCUSSION ISSUES BY COMMITTEE MEMBERS

1. The licensure of process servers.
2. The use of computers, documentation, illegal access.
3. Access to open records.

4. Separation of licenses for private detective agencies and private security companies.
5. Pre-license education.
6. Continuing education.
7. The rule that specifies what must be in contracts between licensees and their clients.
8. Permission to carry concealed weapons.
9. Reciprocity of licensure.
10. Liability insurance issues.

MISCELLANEOUS INFORMATION/CORRESPONDENCE

The committee did not have sufficient time to discuss other issues; however, the following documents were distributed to the committee:

Articles from the Regulatory Digest, relating to the activities which require a private detective license.

Correspondence to and from the Department concerning the licensure of insurance adjusters.

A memo concerning agency names.

A federal court decision concerning the exemption from licensure of persons who do background checks for the FBI.

The Illinois statutes which exempt certain persons from private detective licensure.

The Private Detective Task Analysis Survey, 1993

The private detective exam brochure.

Statistics, relating to the current private detective exam.

ADJOURNMENT

The meeting adjourned at 12:05 p.m.

NEXT MEETING DATE

The next meeting was scheduled for Tuesday, April 13, 1999 at 9:30 a.m.